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SHALL AMERICANS BUILD SHIPS?

YES. By reason of our position and products, we ought to be the first ocean-carrying nation in the world. To become that, we must build ships. National ambition, prosperity, and self-defense alike are involved in the answer, Yes.

Our early history proves us worthy of that position. When we achieved independence and began as a nation, we began as a nation of ship-builders. Among the first acts of our earliest statesmen was the passage of protective navigation laws, to meet those of England. Starting out with the sturdy spirit of self-reliance, though with bankrupt treasury, no national credit, but a large national debt, only some three millions of people, and a wilderness to conquer, we made such progress in ship-building as the world never saw before.

It was not until we had 46,000,000 of people, resources superior, and foreigners dependent on us for bread, that it was declared we must go abroad to buy ships, and buy them of our great commercial rival at that.

From 1789 to 1812 our tonnage grew from 280,000 to 1,100,000 tons, an increase so remarkable that England, jealous of us as ocean rivals from the first, made war upon our commerce—for the war of 1812 was nothing else. But in twenty years from the date of peace our commerce had doubled, and our tonnage increased yet more largely, till in 1850 it was 3,335,454 tons, and we had sold over 400,000 tons of ships abroad, besides. We built the fastest and cheapest wooden ships, and the well-known Yankee clippers were seen in every port all over the world. In 1860 we had 5,350,000 tons, and of our total foreign trade \$437,190,000 was carried in American bottoms, against \$160,057,000 in foreign ships. Then came our civil war and England's opportunity.

Our growth had been wholly in the wooden sailing ship. But in 1840, seeing the impossibility of competing with us in building the wooden ship, and knowing no nation could be great on the sea that did not build its ships, England found a new factor of success in the introduction of the iron steam-ship. She encouraged the large investment of capital required by establishing steam-ship lines, with ample mail compensation; thus skillfully opening at once new markets, and by increased trade creating new demand for ships. She also gave naval contracts to private ship-builders, to enable them to build up iron ship-yards. And from the time she began this policy we began to lose, through not meeting her wisely in this as we had twice met her when it was a question of war; and the rebellion effectually prevented us from continuing a competition in which we had previously been so successful. So the carrying trade of the North Atlantic passed out of our hands.

Since the civil war, laboring under disadvantages spoken of later on, it is not to be wondered at that the American carrying trade has not been revived. The wonder is that we have any shipping left. But who can doubt that if in 1865 our statesmen had recognized the imperiled position and vital importance of this great interest, and had adopted a judicious policy to restore us gradually to our proper place on the sea, millions on millions of dollars annually would have been saved to our country, millions paid to American labor, the day of resumption hastened, and much of the distress of the late "hard times" averted?

Looking at the present and future interests of our country, therefore, I say that Americans shall and must build ships. But there seems to be some difference of opinion about our ability to do it. Practical men, men who own ships and want to own more, say we can. Theorists and "free-ship" men, who neither build nor own ships, nor intend to own them, say we cannot. To get at the difference clearly, let us see on what points all are pretty well agreed. These may be set down as:

1. That the United States need more ships than any other nation, having more surplus products to be carried in them.
2. That no nation has ever been a great ship-owning nation that did not build its own ships.
3. That we have natural resources superior to those of any other country for building either wooden or iron ships.
4. That we have the most energetic and intelligent class of workmen in the world.
5. That ninety per cent. of the

ship's cost is labor; and 6. That labor is free, and we can import it from any part of the world without duty or restriction.

What, then, divides the American people on this great national issue? I can see nothing but discriminating laws and the labor question. The one difficulty claimed by the "free-ship" advocate is the difference in the ship's first cost. What does this difficulty amount to? The difference in the first cost of American and English built iron ships is: in the sailing ship eight per cent. and in the steam-ship from ten to fifteen. What causes it? The greater cost of American labor. It is true we are free to import labor from the European countries, where it is cheap; but the moment the working-man gets here, he seems to imbibe our national idea of the elevation of man, becomes Americanized and wants American wages. I say this is right. But shall we, then, leave our forests and mines undeveloped and thousands of working-men unemployed, because it has ever been and is the policy of our Government to furnish labor with more favorable conditions than it knows elsewhere? Is there no way to build up American shipping other than to crush down American labor, or to buy the ships from a nation which has no advantage over us in ship-building, save as she applies her policy of crushing down labor? I will leave that question for the American people to answer.

But it is not the first cost that prevents us from building ships. Rather let us look at facts like these: 1. The great revolution on the ocean,—from wood to iron, from sail to steam, from the ordinary engine to the compound,—and the start England had of us in the use of these advantages. 2. Our difficult position to-day through not being able to avail ourselves in other years of these new conditions, by reason of internal strife. Every business man knows the almost impossibility of raising capital to compete with large capital already in possession of the business. 3. Our enormous system of taxation, different from that of any other nation, and in reality prohibitive of ship-owning. 4. Lack of a definite policy which would create a demand for ships in the opening of new markets,—our Government offering no inducements or facilities for reaching the world's markets where our products could be sold, and leaving our merchants to rely on sailing ships or on foreigners for transportation. If it was profitable for the foreigners to open the markets to us, they did so; if not, we went without. 5. The

terrible wrong inflicted on American capital invested in the foreign trade by compelling its ships to carry the mails for postage. 6. Exorbitant tonnage dues and consul fees and pilotages. These, with other existing burdens, are reasons sufficient why we cannot afford to own ships. And, of course, until we can profitably own ships, we shall not build them.

The "free-ship" advocate has plenty to say about a lost carrying trade and antiquated laws. Why is he always silent about these practical, tangible grievances? Why has he nothing to offer but forever the same two remedies—"free ships" and "free material"? Let us see of what sort these remedies are.

1. "Free ships," or the right to buy ships where we choose. That means to buy of England; for no other nation has them to sell, or can build them. It means for a nation having abundant resources and ability to supply itself with ships for its use in peace and defense in war, to become dependent for ships upon a single foreign nation. If we become dependent this year, shall we not be more so next? When shall we emancipate ourselves under this policy? Let us not forget, too, that all nations are interested in having more than one nation able to supply them with iron ships. Again, it means to starve American and feed foreign labor; to take millions on millions of dollars out of circulation among our people; to build up a foreign government and beat down our own. It means inevitable national humiliation and disgrace sooner or later. The statesman who advocates "free ships" ought to come out frankly and admit that, in whatever form he recommends relief for our carrying trade, he means England shall be the gainer. For "free ships" is to depend upon her for them, as I have said; and "free material" used in ships can only be supplied by England. What kind of a plan is that for Americans to propose?

Curiously enough, too, the "free-ship" man is always ready for a bargain. He will give you free material, but you must give him "free ships." Or he will give you a postal contract, but you must give him the right to buy ships in the cheapest market. But if you offer him relief from taxation, he doesn't want that, nor does he want encouragement. What he evidently does want is the English ship, and nothing else will do.

Take the history of the three wars we have fought for independence, for equal rights on the sea, for the preservation of the Union, and I ask you, could we have afforded then to be depend-

ent upon England for ships, and if we had been dependent, what would have been the result? To simply point out the effects of such a condition in our late civil war: Where lay the strength of the North? Was it not chiefly in her ability to at once send sixty thousand trained men from the private ship-yards into the navy-yards; to send thousands more of skilled mechanics from our workshops into the arsenals, and in the private ship-yards to build the "ninety-days" gun-boats; besides being able, through the work of those left at home, to supply the wants of the people and support our armies in the field? Of what value was it to us that we were able to send out the little Monitor from a private ship-yard in New York in one hundred days? Had she been four days later, the capital of the nation would doubtless have been captured.

Where lay the weakness of the South? Was it not in her undeveloped condition, without ship-yards, or engine-works, or rolling-mills, or factories, or the means in any way to supply the wants of her people or maintain her army either in clothing or implements of war? She never surrendered until we blockaded her coast and shut off her chances to get supplies from England. In our three wars, what should we have done but for our ability to build ships?

But, looking at free ships as a matter of business, what has the difference in first cost to do with our ship-owning? Let us compare the ship on the sea to the factory on the land. Both require capital for the plant and men to operate them. Now, what business man does not know of instances where two men are engaged in the same line of manufacture, and where one of them paid from fifteen to twenty per cent. more for his plant than the other? But has any business man ever heard of a man's closing up his factory and ceasing competition merely because his plant cost him more, all other things being equal? No, it is not the first cost that drives a man out of the business. But suppose the one man's taxes were twenty times more, the wages of his hands twenty-five to forty per cent. higher, than those of the other—why, he would fail, though you gave him his plant for nothing. What man could buy a cheap English factory and run it on the American principle of high taxes, high capital, and high labor? So, in ships, it is not what it costs to get the ship afloat, but what it costs to keep her there, under American rates of taxation, interest, and labor, that prevents us from owning ships in

competition with foreign owners, who employ capital under no such disadvantages.

2. Free material. This is a favorite argument with some who seem to think a ship's cost is ninety-five per cent. for material and five for labor, instead of the exact reverse. And I have already called attention to the fact that the labor which makes up ninety-five per cent. of the cost *is* free. As for free material, I have studied every way practicable to see how near we could come to compete with Great Britain in the product of the ship. In 1872, when I undertook to build some large ships, the rolling-mills did not exist in this country that could make the angles, plates, and beams required. I then had to pay £12 10s. in gold for plates, £11 10s. for angles, £1 per ton freight by steam, and five per cent. commission. This satisfied me of the folly of a man's trying to bring a distance of three thousand five hundred miles the heavy material required for a ship, paying freight and commissions, and putting that material into a ship, at our high rates of labor, in competition with a man whose ship-yard is close by where the material is produced, and who has cheaper labor, no freight or commission to pay, and lower rates of taxation.

From the Clyde to the Delaware or Hudson is over three thousand miles. The impractical man tells the American ship-builder that the thing he needs to enable him to build ships is to bring the material from the Clyde and put it into ships in competition with the ship-builder over there. Now, who would think of taking the iron from the Delaware to the Kennebec—a vastly shorter distance—and asking the builder there to put it into iron ships in competition with the iron-ship builder on the Delaware, who had no freight to pay? Or who would think of bringing wood from Maine to Delaware to build wooden ships in competition with the Maine builders? The idea is so preposterous that no practical man would entertain it. It is plain that the freight and commission paid by the American builder in bringing material from the Clyde would be a large profit for the English builder.* Why did not England

* Why, even the short distance from the Clyde to the Thames was so much of a disadvantage that it broke up the ship-yards on the Thames, and the builders there had to move up to the Clyde in order to join in the competition. If builders with all other conditions equal could not stand a few miles freightage, how could we hope to compete when obliged to bring the material over three thousand miles?

succeed when she imported the wood from us free, with cheaper capital and labor?

It will readily be admitted that the American iron-ship builders are desirous to have removed all the disadvantages which prevent them from competing with the English builders. They do not own mines or rolling-mills or forests. They are the purchasers of the products of these, and it is for their interest to buy them on the most favorable terms. Strange to say, then, that while not an American ship-builder has ever said that this free-material bill would be practicable or advantageous, the theorist and "free-ship" advocate are always insisting for them that it would.

The advantage of home competition and its effects in reducing the price of iron are shown by the fact that the average cost of iron made into shapes for ships in England was, for the years 1872 to 1875, \$61.25 per ton. We then had no rolling-mills, or facilities for making the shapes required for large iron ships. Since then we have established the rolling-mills, and from 1876 to 1880 the average cost of ship iron here was \$52 per ton, or \$9.25 less than in England during the years 1872 to 1875. England built in those years 1,600,000 tons of ships, at an average cost of \$9.25 more per ton for the iron than that iron costs in this country to-day. And when so much is said about the fifteen per cent. greater cost of the American ship, it should be remembered that we are building iron ships cheaper to-day than England built them from 1871 to 1875, and that it is our ability to build that has made and that alone keeps the English ship cheap.

Now to emphasize some important points merely stated hitherto:

Americans need ships. During the year ended June 30th, 1880, the value of our exports and imports was \$1,589,472,093, of which foreign ships carried \$1,309,566,496, and American ships \$280,005,497, or only 17.6 per cent. In 1860, of exports and imports valued at \$762,288,550, American ships carried 66.5 per cent., leaving to foreign ships but 33.5 per cent. So much of a revolution has taken place in our position as ocean carriers since the beginning of our civil war. From 1870 to 1880, our export trade increased over 400 per cent. Should it increase at one-half that rate in the next ten years, our surplus products requiring ship transportation would exceed 22,000,000 tons. We

should not for a moment think of letting a foreigner carry them for us on the land—why should we on the ocean? Shall we carry our fair proportion of them? Then we must build ships. If we do not adopt a policy to do so now, when shall we begin?

On the safe delivery of these products in the world's markets, and on the cash returns, depends our financial stability. Block up the road to market for a year through foreign complications, and wide-spread bankruptcy and ruin would result. The only way to be free from these complications, and to be safe, is to control the carrying of our products by owning and being able to build ships. To say we must carry American products under the American flag is not sentiment, but security.

For the ocean carrying of freight, passengers, and mails, we paid last year over \$140,000,000 to foreign ship-owners. In the last fifteen years we have paid over one thousand millions of dollars in gold out of the country in this way, and at a time, too, when gold was at a premium, and we sorely needed it. This drain goes on and grows with our trade. When shall we begin to keep some of this money at home for the benefit of our own people? Don't let us be afraid of getting a little gold in the country. We want to hold the balance of trade in our favor until money is cheap, and the bond of every State in the Union can be negotiated for four per cent.

A nation that cannot build ships cannot afford to own them. No nation that did not build its own ships ever held the first place on the sea. England has more than \$570,000,000 invested in ships. She could not afford to own such a fleet had she been obliged to buy it in foreign ship-yards, and send that vast amount of capital out of her own country. To maintain such a fleet costs at least ten per cent. of the whole value, or \$57,000,000 a year. Could any nation stand such a drain of gold as that? To regain our lost carrying trade, we ought to invest \$100,000,000 in ships within a few years, and to increase investment from year to year. Could we send that capital out of the country without injury to every interest in it?

France and Germany have shown what disadvantages non-ship-building nations labor under. They have had the full privilege of "free ships," and in all other conditions of competition with England have been equal, *i. e.*, cheap capital and labor, rates of taxation and mail compensation to steamship lines. The following shows what tonnage these nations.

own, compared with that of England, the United States, and Norway:

Nation.	No. of Ships.	Total Tonnage.
England.....	21,897	9,518,000
United States	6,434	2,643,000
France.....	3,906	929,000
Germany.....	3,403	1,193,000
Norway.....	4,313	1,443,000

These figures are official, and speak for themselves. Little Norway, building her own ships, owns more tonnage than either France or Germany; and we own more than France and Germany combined, in spite of all obstructions. I leave it for the "free-ship" advocate to explain these curious facts. He cannot well say that France and Germany do not need more ships, for they do not carry one-third of their own products. Besides, France has just awakened to the necessary relation between ship-building and ship-owning, and has passed a bill to encourage ship-building at home by offering a bounty for every ton built in France for use in the foreign trade.

It is customary for the "free-ship" advocate to answer facts like these by crying out "Monopoly." But where is the monopoly in ship-building? Are not the forests, and mines, and river banks open to all to build ships and to make ship-iron? Our laws invite the capitalists of other nations as well as our own. You might as well cry out monopoly against the cotton-grower of Texas or the grain-grower of Minnesota. Each field of enterprise is equally free.

Americans ought to own ships. What prevents? Look at taxation, for one thing. Steam-ship lines are run by corporations, the capital required being too large for individual ownership. An American corporation in New York, with \$2,000,000 invested in five steam-ships, would have to pay a tax of *two and one-half per cent.*, the same as on real estate, *without regard to profit and loss on the investment*. An English corporation, with like amount invested in five ships, would be taxed *only one per cent. on the net profits*. Assuming the net earnings of both lines to be eight per cent. per annum, the result would be:

Lines.	Capital invested.	Net earnings.	Taxation.
American	\$2,000,000	\$160,000	\$50,000
English	2,000,000	160,000	1,600

Discrimination in tax against American line..... \$48,400

Forty-eight thousand dollars a year for the privilege of carrying the American flag! And this must be paid whether the net earnings are eight or four per cent., or even if the ships are tied to the dock. Let us have this restrictive tax removed before we cry "free ships," and say Americans cannot build ships. And to show that the matter of "free ships" has nothing whatever to do with this supreme difficulty, suppose the Inman and the Cunard lines, both going to the same yard for their ships and buying them on equal terms, were seeking for capital (the getting of which would depend on what dividends they could earn), and the Inman line was taxed two per cent. more on its property than the other, would not the Cunard line raise all the capital, and the other not only fail to raise any, but be forced out of the competition? There could be no other result. Let our Government simply place us on equal conditions with other peoples, so that our capital can be put into competition with foreign capital with a fair prospect of return, and I guarantee that there will be no trouble about first cost. As a proof of that, we have no difficulty in raising capital to be put into large American-built ocean steamers for the coasting trade, where it will be subject to the same laws, rates, and taxation as the other capital employed in that trade. But when we undertake to put capital into the foreign trade, we bring it into competition with the capital of other peoples, who have more favorable conditions of interest, taxation, and labor, and there we find the hunt for capital a vain one. The only way to get it is for our Government to pursue the same policy that England did when she was in a like condition—encourage capital to invest by opening up new markets through the establishment of mail steam-ship lines. Moreover, we urgently need these new markets, and there is no other means except superior facilities of communication, mail and passenger, whereby we can obtain them. Some may say in this connection that England gave her merchants the privilege to buy ships where they pleased. But she first provided the means to furnish them ships cheaper than anybody else could. Indeed, there was nobody else then that could build iron ships, and England never bought an iron ship abroad. If she had been obliged to, she would not own as many as she does.

We do not build ships, as I have said, because it is not profitable to run them. Official figures show that during the war our ship-owners sold to the Government 600,000 and to foreigners

801,345 tons of shipping. After the war, between 1866 and 1878, high taxes and cost of running compelled our merchants to sell 348,845 tons more, for less than they could be replaced in any part of the world. This made a grand total of 1,749,190 tons, or *nearly two million tons* of American shipping sold because ownership was not profitable under our laws. What had the navigation laws to do with this shrinkage in our shipping, I should like to know? And what remedy would a "free-ship" bill have been in that instance?

The key to unlock the world's commerce is the fast mail ship. How did England turn this key? Since 1837 she has paid two hundred and twenty-two million five hundred thousand dollars in mail compensation and bounties to encourage her capitalists to invest in these fast iron mail steam-ships, as follows:

From General Post-Office, 1837 to 1849.....	\$25,000,000
From Mercantile Marine Fund.....	37,500,000
From General Post-Office, 1850 to 1859 (over).....	60,000,000
From " " 1860 to 1869	50,000,000
From " " 1870 to 1879	50,000,000

Assistance from British Treasury to her shipping since 1837. \$222,500,000

It is said that she paid much of this vast sum for mail service to her colonies. That is no answer. Why did England fight to gain and keep those colonies? Surely not from any love she bore them. Has she not just been at war with the Boers, because they wanted to build a railroad that was for their interest, but would divert trade from her? She cared nothing for her colonies, except as she could use them for her benefit. She favored them only because she wanted them as markets for her surplus manufactures and to provide her with raw material; and she gave them rapid communication with herself, so that no other country could come in and get away their trade. She would like to do the same thing with us, taking our bread and cotton and giving us back her manufactures. England's mail compensation was a subsidy paid to help her control trade, and she indirectly taxed her colonies to raise the subsidy which she paid to her own ships, built and owned at home. That was England's policy with her colonies, and you can call it nothing less than taking money from the English treasury to encourage the investment of capital in

ships. But this policy was not confined to the colonies. They only got their proportion of the money so spent. And it should be remembered that at the very time England began this policy of mail pay, she was the only nation that could build the iron ship. Yet she began to pay out that two hundred and twenty-two million five hundred thousand dollars, as the circumstances required, both to draw capital and discourage competition. And to-day she is proof of the wisdom of that policy, which has repaid her ten thousand fold, and given her, one might say, the power to control the commerce of the world.

Now, how did the United States turn this key? I will give you an illustration. The following will show the encouragement in the way of mail compensation given by our Government last year to American shipping engaged in opening new markets in the foreign trade:

Lines.	No. Ships.	Miles Traveled.	Mail Pay.
New York to San Francisco, China, Japan, Australia, and return.....	18	681,877	\$24,410
Brazil Line, New York to St. Thomas, Para, Pernambuco, Bahia, and Rio..	3	140,000	1,875
Havana Line, New York to Havana	3	128,960	2,444*
South Side Line, New York to Santiago de Cuba	3	43,472	76*
Mexican Line, New York to Vera Cruz..	5	187,000	2,600
Total.....	32	1,181,309	\$31,405

Contrast with this showing the following, which gives the amount paid annually to five lines which carry the mails in the coasting trade:

Lines.	Miles Traveled.	Mail Pay.
Galveston to Brashear, Tex	58,500	\$50,000
Cedar Keys to Key West, Fla	48,880	18,000
San Francisco to Portland, Oregon	69,680	25,000
Portland to Sitka.....	16,020	34,800
Portland to Astoria.....	54,880	14,906
Total.....	247,960	\$142,706

* The Havana Line had to pay \$600 for bringing mail from quarantine by special boat, and \$520 cost of delivery and collection, leaving a net mail earning of \$1,324. The South Side Line paid for mail expressage, in its sixteen trips, \$160, leaving a net loss for carrying the mails of \$83.06.

Thus the account stands:

Lines in foreign trade carry mails 1,181,309 miles for.....	\$31,405
Lines in coasting trade carry mails 247,960 miles for.....	142,706
Lines in foreign trade carry more miles by 933,349 for less pay by 111,301	
Or, counting by miles, the pay for carrying foreign mails is $2\frac{1}{2}$ cents per mile,	
while for domestic mails it is $57\frac{1}{2}$ cents per mile.	

That is the discrimination we make against capital the moment it is put into the foreign trade.* What we pay to the coasting lines is never denounced as *subsidy*; but when it is proposed to pay a like reasonable mail compensation to the foreign trade lines, what a righteous outcry of "Subsidy!" "Subsidy!" goes up from the demagogues all over the land. The trade between the United States and the nations of South America, China, and Japan amounts to about one hundred and fifty millions a year. But there exist no mail facilities direct between them and this country, save as our Government forces these ships to carry its mails to and fro. And yet we expect to have trade with or without postal communication.

And right here comes in that monstrous injustice that makes so great a difference between the coasting and foreign lines. The former are paid for mail service by contract to the lowest responsible bidder; the latter are compelled to carry the mails for sea-postage merely, under the following law:

"U. S. REVISED STATUTES, Section 3976.—The master of any vessel of the United States, bound from any port therein to any foreign port, or from any foreign port to any port in the United States, shall, before clearance, receive on board and securely convey all such mails as the Post-office Department, or any diplomatic or consular agent abroad, shall offer; and he shall promptly deliver the same, at the port of destination, to the proper officer, for which he shall receive *two cents* for every letter so delivered; and upon the entry of every such vessel returning from any foreign port, the master thereof shall make oath that he has promptly delivered all the mail placed on board said vessel before clearance from the United States; and if he fail to make such oath, the vessel shall not be entitled to the privileges of a vessel of the United States."

How can you expect to get capital to build fast mail ships for the foreign carrying trade under such a law as that? And how, without means to secure quick communication, quick delivery,

* The Mexican Government alone pays one hundred and thirty-four thousand dollars a year for mail service to this country, or nearly as much as we pay for all our foreign mail service.

and quick returns,—the life of trade,—can you expect to build up commerce? The “free-ship” man says we cannot build ships, but says nothing about these reasons why we cannot run them. Remove unjust and prohibitive laws, create a demand for ships, and nothing more will be heard about our being unable to build. Look at what we have done with the locomotive. In 1830 not one locomotive engine had been built in America, and we imported two. Soon we began to build a few, as experiments. No doubt they cost more than those bought in England; but there was a demand for them, and the building went on. What was the result? January 1, 1879, their number in use in this country was 16,445, valued at \$164,450,000. The number of freight cars in use was some 458,000, besides passenger and palace cars, the cost of all, at a low estimate, being \$600,000,000, or a value for locomotives and cars of \$764,450,000; add one-tenth of the total number, which must have been rebuilt five times since 1830, at a cost of, say, \$382,225,000, and we have a grand total of \$1,146,675,000, or about twice as much as England has invested in ships. Besides this, we export locomotives to Canada, New Brunswick, Nova Scotia, Mexico, Nicaragua, Central America, Chili, Peru, Argentine Republic, Brazil, Cuba, Porto Rico, Jamaica, Norway, Russia, New Zealand, Queenstown, New South Wales, Victoria, South Australia, and the Sandwich Islands. We have exported twenty million dollars’ worth since 1870; and it will be seen that we have taken England’s locomotive trade from her in her own colonies, because we can build the best and cheapest locomotive in the world to-day. We could not do it in the first ten years we built locomotives. Suppose, then, the “free-locomotive” advocates for such existed, who said we could not own locomotives unless we bought them of England, who could build them cheaper—had succeeded in their plans, and our locomotive-building had been strangled in its infancy, as efforts are now making to strangle ship-building, what would have been the evil consequences to this country? What should we have to show in place of this grand record? Should we not still be dependent upon England for locomotives? Any practical man will see what a difference this would have made to every American interest.

What is true of the locomotive will apply exactly to the ship. The locomotives and cars are built of iron, steel, and wood from the American forest and mine. Ninety per cent. of this enor-

mous sum has been spent at home for labor (which yet has not been reduced to the European starvation price), and has helped to give the farmer his great home market. By these American-built locomotives and cars, we bring our surplus products to the sea-board to put them into ships. But then we are told that we cannot build the ship, though it is built out of the same material, from the same forest and mine, and though the labor required to convert one hundred tons of pig iron into locomotives is much greater than it is to put it into the finished ship, and just as high priced. But we had a policy for building the locomotive—by finding a use for it—and you see the result. That policy of holding out inducements to capital, by which England built up her shipping (her grants amounting to \$222,500,000) and America her railroads (our Government grants to railroads amounting to \$144,213,078), is the policy which alone will build up for us an ocean carrying trade, such as not only rightfully belongs to us, but is absolutely essential to our future commercial and industrial growth and prosperity. England's policy made a demand for the ship, America's for the locomotive and car, and the demand enabled each country to produce the cheapest article, the one in ships, the other in locomotives.

The same kind of demand will also enable us to build the ship at least as cheap as England can, and we already build a ship surpassed by none in the world.

The whole question resolves itself into this: Whether this country, with more goods to carry, with more need of ships, with more raw material to use, with better natural advantages, with the best skilled labor, and with more coast to defend, than any other country, shall be independent and build its own ships, thus encouraging all its industries and protecting its own labor, on which the foundations of this Government were laid, or shall become dependent entirely upon a foreign nation for ships, and let its own working-men shift for themselves when the bread has been taken from their mouths? To do the latter would be to refuse the advantages God has given us. Make this issue, and when the people come to understand it, there will be no question how they will decide.

JOHN ROACH.